



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

Elite Healthcare North Dallas

Respondent Name

Indemnity Insurance Co of North

MFDR Tracking Number

M4-14-3277-01

Carrier's Austin Representative

Box Number 15

MFDR Date Received

June 20, 2014

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The g-codes were attached to the original."

Amount in Dispute: \$731.54

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Our supplemental response for the above referenced medical fee dispute resolution is as follows: the bills in question were escalated and the review has been finalized. Our bill audit company has determined additional monies are owed in the amount of \$662.35 for the date of service 7/10/13 – 7/11/13. It is our position that interest is not due since the provider submitted the proper corrected claim with this dispute. Regarding the DOS 11/6/13, we have attached payment screen and EOB that show \$69.17 was paid for code 97002 on 12/16/13. We have circled the line item on the EOB. We are requesting the dispute be withdrawn."

Response Submitted by: Gallagher Basset, 6404 International Parkway, Suite 2300, Plano, TX 75093

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
July 10 – November 6, 2013	97002, 97110, 97140, 99214, 97112	\$731.54	\$0.00

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
3. The services in dispute were reduced/denied by the respondent with the following reason codes:
 - W1 – Workers compensation state fee schedule adjustment
 - W3 – Request for reconsideration

Issues

1. Did the requestor support that additional reimbursement is due?
2. Is the requestor entitled to reimbursement?

Findings

1. 28 Texas Labor Code §134.203(c) states in pertinent part, "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications. (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is (date of service annual conversion factor).
 - Procedure code 97002, service date July 10, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.6 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.6054. The practice expense (PE) RVU of 0.61 multiplied by the PE GPCI of 1.017 is 0.62037. The malpractice RVU of 0.03 multiplied by the malpractice GPCI of 0.834 is 0.02502. The sum of 1.25079 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$69.17. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure has the highest PE for this date. The first unit is paid at \$69.17.
 - Procedure code 99214, service date July 11, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 1.5 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 1.5135. The practice expense (PE) RVU of 1.54 multiplied by the PE GPCI of 1.017 is 1.56618. The malpractice RVU of 0.1 multiplied by the malpractice GPCI of 0.834 is 0.0834. The sum of 3.16308 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$174.92.
 - Procedure code 97140, service date July 11, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.43387. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.017 is 0.44748. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.88969 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$49.20. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.83 at 2 units is \$73.66.
 - Procedure code 97112, service date July 11, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.45405. The practice expense (PE) RVU of 0.52 multiplied by the PE GPCI of 1.017 is 0.52884. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.99123 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$54.82. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure has the highest PE for this date. The first unit is paid at \$54.82. The PE reduced rate is \$40.19. The total is \$95.01.
 - Procedure code 97110, service date July 11, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.45405. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 1.017 is 0.48816. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.95055 is multiplied by the Division

conversion factor of \$55.30 for a MAR of \$52.57. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$39.07 at 4 units is \$156.28.

- Procedure code 97002, service date November 6, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.6 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.6054. The practice expense (PE) RVU of 0.61 multiplied by the PE GPCI of 1.017 is 0.62037. The malpractice RVU of 0.03 multiplied by the malpractice GPCI of 0.834 is 0.02502. The sum of 1.25079 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$69.17. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure has the highest PE for this date. The first unit is paid at \$69.17.
2. The total allowable reimbursement for the services in dispute is \$638.21. This amount less the amount previously paid by the insurance carrier of \$731.52 leaves an amount due to the requestor of \$0.00. No additional reimbursement can be recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

Authorized Signature

_____ Signature	_____ Medical Fee Dispute Resolution Officer	<u>January 15, 2015</u> Date
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YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, 37 *Texas Register* 3833, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.